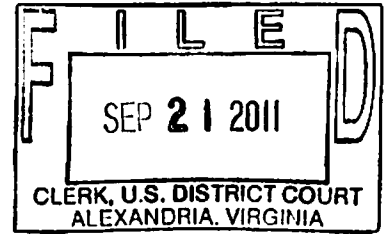


IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF VIRGINIA  
Alexandria Division



PRECISION FRANCHISING LLC,	)	
	)	
Plaintiff,	)	
	)	
v.	)	1:11cv137(LMB/IDD)
	)	
K-SQUARED, INC., <u>et al.</u> ,	)	
	)	
Defendants.	)	
	)	

ORDER

Before the Court is a Report and Recommendation ("Report") issued by a magistrate judge on August 29, 2011 [Dkt. No. 23], which recommended that plaintiff's Motion for Default Judgment [Dkt. No. 14] be granted in part and that plaintiff be awarded damages in the amount of \$569,511.63 and an injunction barring defendants "from operating any business purporting to be a Precision Franchising Center." Report at 15. The parties were advised that any objections to the Report must be filed within 14 days and that failure to file a timely objection waives the right to appeal the substance of the Report and any judgment based upon the Report. As of September 20, 2011, no party has filed an objection.

The Court has reviewed the Report, plaintiff's motion, and the case file and adopts the Report in its entirety.

Specifically, the magistrate judge correctly determined that the Court has subject matter jurisdiction over this action pursuant to its federal question and supplemental jurisdiction, 28 U.S.C. §§ 1331 and 1367. The franchise agreements in this action provide that defendants will submit to personal jurisdiction in the judicial district where plaintiff's principal place of business is located and that plaintiff may bring suit for monies owed or injunctive relief in any state or federal court with jurisdiction. See Pl.'s Mem. in Supp. of Default J. Mot. at Exs. A, B, C § 26.1. Plaintiff's principal place of business is located within this district, and therefore venue and personal jurisdiction are established. The Court further finds that the documentation submitted with plaintiff's Motion for Default Judgment supports the sum of damages recommended in the Report. Accordingly, plaintiff's Motion for Default Judgment is GRANTED IN PART, and it is hereby

ORDERED that damages in the amount of \$569,511.63 be and are awarded in favor of plaintiff, Precision Franchising, LLC, against the defendants K-Squared, Inc., Kurtis Johnson, and Kimberly Johnson, jointly and severally; and it is further


ORDERED that the defendants are enjoined from operating any automotive care business as a Precision Franchising Center and from using plaintiff's proprietary marks, as listed in Exhibit A attached to this Order, as well as plaintiff's trade dress and

its trade secrets in any respect, without explicit permission from the plaintiff.

The Clerk is directed to enter final judgment in plaintiff's favor pursuant to Fed. R. Civ. P. 55 and to forward copies of this Order to counsel of record.

Entered this <sup>51</sup>21 day of September, 2011.

Alexandria, Virginia

  
\_\_\_\_\_  
Leonie M. Brinkema  
United States District Judge